



## Board Report

File #: 2020-0247, File Type: Contract

Agenda Number:

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### OPERATIONS, SAFETY, AND CUSTOMER EXPERIENCE COMMITTEE APRIL 16, 2020

**SUBJECT: PURCHASE OF THREE 35 TON TOW TRUCKS**

**ACTION: APPROVE CONTRACT**

#### **RECOMMENDATION**

AUTHORIZE the Chief Executive Officer to award a firm fixed price contract OP66644000 to Los Angeles Truck Centers, LLC the lowest responsive and responsible bidder for three (3) 35-ton tow trucks for a firm fixed price of \$1,069,966.24 inclusive of sales tax.

#### **ISSUE**

The existing tow truck fleet has been in operations for 17 years; due to usage and deterioration throughout the years the fleet is in need of replacement. The tow trucks are rotated between 11 operating divisions.

#### **BACKGROUND**

The tow trucks are mainly used for towing and recovery of Metro buses assigned to 11 bus operating divisions, and for training purposes at Metro's Central Maintenance Facility. These trucks are required to support directly operated bus operations throughout the Metro system which includes over 2,300 buses.

#### **DISCUSSION**

The three new tow trucks will replace trucks that have been in operation since 2003. In the last few years, these trucks have experienced reduced reliability and have now surpassed their useful life and require replacement. The purchase of these three 35-ton tow trucks will provide the Metro Bus Operations and Metro Bus Maintenance Departments with the necessary equipment for the consistent, timely and effective support and maintenance of Metro bus fleet for the next 12-15 years.

The recommended bidder, Los Angeles Truck Centers, has its operating and headquarter facility in Los Angeles County, in the city of Whittier, California. Metro's Diversity and Economic Opportunity Department (DEOD) did not establish a goal for this solicitation and a search of the Small/Disabled Veteran Business Enterprise (SBE/DVBE) directories revealed there are no certified SBE/DVBE firms that can supply these vehicles.

#### **DETERMINATION OF SAFETY IMPACT**

The approval of this recommendation will have positive impact on safety as the new tow trucks will maximize operator safety. Due to newer and more stringent emission standards, the new tow trucks will improve Metro's carbon footprint throughout Los Angeles County.

### **FINANCIAL IMPACT**

The funding of \$1,069,966.24 is included in Cost Center 3790, Maintenance Administration; Project 208604, FY20 Non-Revenue Vehicles and Equipment; Account 53106, Acquisition of Service Vehicle.

Since this is a multi-year project, the cost center manager and Chief Operating Officer will ensure that all related costs are budgeted in future Fiscal Years.

#### **Impact to Budget**

The current source of funds for this action is Transportation Development Act (TDA) Article 4. Using this funding source maximizes the project funding allocations allowed by approved provisions and guidelines.

### **IMPLEMENTATION OF STRATEGIC PLAN GOALS**

The recommendation supports the following Metro Strategic Plan Goal 2) Providing outstanding trip experiences for all. New tow trucks improve safety and enhance the ability to respond to downed buses and continue delivering world-class bus service.

### **ALTERNATIVES CONSIDERED**

Staff does not recommend leasing equipment and/or contracting out tow services as this is an in-house task currently performed by ATU contract personnel. Contracting out this service would conflict with the current Metro/ATU Collective Bargaining Agreement. Additionally, the cost of towing services for one tow truck would equal or exceed the full purchase price of one tow truck in the first five years of operation.

The alternative of retaining the existing tow truck fleet for primary tow services is not recommended. Diminished reliability, high maintenance costs and frequent repairs over the past several years has rendered the use of the existing tow truck fleet a poor alternative for continued operation.

Not purchasing the recommended tow trucks will significantly reduce Metro's ability to effectively provide world-class transportation for all.

### **NEXT STEPS**

Upon Board approval, the vendor will begin the manufacturing process and provide Metro with a production schedule to identify milestones consistent with the scheduled delivery of the equipment 12 months after the award of the contract.

### **ATTACHMENTS**

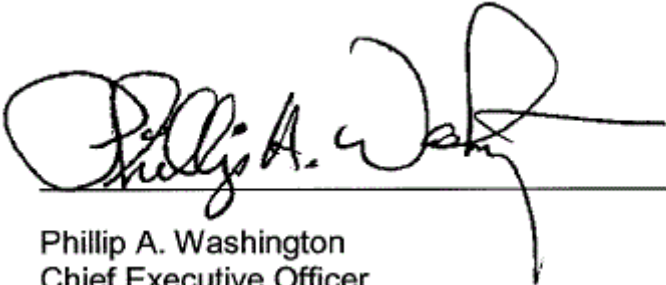
Attachment A - Procurement Summary

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Attachment B - DEOD Summary

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Debra Avila, Chief Vendor/Contract Management Officer, (213) 418-3051



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Phillip A. Washington  
Chief Executive Officer

## PROCUREMENT SUMMARY

## 35 TON TOW TRUCKS / CONTRACT NO. OP66644000

1.	<b>Contract Number: OP66644000</b>	
2.	<b>Recommended Vendor:</b> Los Angeles Truck Centers, LLC	
3.	<b>Type of Procurement (check one):</b> <input checked="" type="checkbox"/> IFB <input type="checkbox"/> RFP <input type="checkbox"/> RFP-A&E <input type="checkbox"/> Non-Competitive <input type="checkbox"/> Modification <input type="checkbox"/> Task Order RFIQ	
4.	<b>Procurement Dates:</b>	
	<b>A. Issued:</b> 11/27/19	
	<b>B. Advertised/Publicized:</b> 11/29/19	
	<b>C. Pre-Proposal Conference:</b> 12/5/19	
	<b>D. Bids Due:</b> 1/8/2020	
	<b>E. Pre-Qualification Completed:</b> 1/24/2020	
	<b>F. Conflict of Interest Form Submitted to Ethics:</b> 1/8/2020	
	<b>G. Protest Period End Date:</b> 3/19/2020	
5.	<b>Solicitations Picked up/Downloaded:</b> 16	<b>Bids/Proposals Received:</b> 4
6.	<b>Contract Administrator:</b> Aryani L. Guzman	<b>Telephone Number:</b> 213-922-1387
7.	<b>Project Manager:</b> Adam Robertson	<b>Telephone Number:</b> 562-658-0231

**A. Procurement Background**

This Board Action is to approve Contract No. OP66644000 issued to procure three (3) 35-Ton Tow Trucks to support Metro's Bus Operations. Board approval of contract award is subject to resolution of any properly submitted protest.

An Invitation for Bid (IFB) No. OP66644 was issued in accordance with Metro's Acquisition Policy and the contract type is a Firm Fixed Price.

Two (2) amendments were issued during the solicitation phase of this IFB:

- Amendment No. 1, issued December 9, 2019; to add additional site visit for potential bidders;
- Amendment No. 2, issued December 24, 2019; to revise technical requirements;

A total of four (4) Bids were received on January 8, 2020.

## **B. Evaluation of Bids**

This procurement was conducted in accordance and complies with LACMTA's Acquisition Policy for a competitive sealed bid. The four bids received are listed below in alphabetical order:

1. Los Angeles Truck Centers, LLC
2. TEC of California
3. Tow Industries Bid No. 1
4. Tow Industries Bid No. 2

All bidders were determined to be fully responsive and responsible to the bid requirements.

The firm recommended for award, Los Angeles Truck Centers, LLC, the lowest responsive and responsible bidder was found to meet all technical requirements and is in full compliance with the IFB's requirements.

## **C. Cost/Price Analysis**

The recommended bid price from Los Angeles Truck Centers, LLC has been determined to be fair and reasonable based upon adequate price competition, Independent Cost Estimate (ICE), price analysis, and competitive bids.

<b>Bidder Name</b>	<b>Bid Amount</b>	<b>Metro ICE</b>
Los Angeles Truck Centers, LLC	\$1,069,966.24	<b>\$1,110,000.00</b>
Tow Industries Bid No. 1	\$1,083,456.00	
TEC of California	\$1,147,661.90	
Tow Industries Bid No. 2	\$1,149,056.36	

## **D. Background on Recommended Contractor**

The Los Angeles Truck Centers, LLC has over 19 years of experience in providing Medium-to heavy-duty trucks, alternative fuel trucks, engines, CARB compliant trucks, and truck parts through-out California and Nevada. Los Angeles Truck Centers has its operating and headquarters facility in the Los Angeles County in the city of Whittier, California. Los Angeles Truck Centers also has operating facilities in the city of Long Beach, San Diego, Las Vegas, Ontario, Fontana, Carson, Hesperia, Sacramento, and Caruthers. Los Angeles Truck Centers is a subsidiary of Velocity Vehicle Group. Some of their customers include the Department of Justice with the Diesel and Emission Control System Contract for the Bureau of Prisons.

**DEOD SUMMARY****35 TON TOW TRUCKS / CONTRACT NO. OP66644000****A. Small Business Participation**

The Diversity and Economic Opportunity Department (DEOD) did not establish a goal for this solicitation. This procurement is for the purchase of three (3) 35-ton tow trucks to replace vehicles in Metro's current fleet that supports bus operations. A search of the Small/Disabled Veteran Business Enterprise (SBE/DVBE) directories revealed there are no certified SBE/DVBE firms that can supply these vehicles.

**B. Living Wage / Service Contract Worker Retention Policy Applicability**

The Living Wage / Service Contract Worker Retention Policy is not applicable to this contract.

**C. Prevailing Wage Applicability**

Prevailing wage is not applicable to this contract.

**D. Project Labor Agreement/Construction Careers Policy**

Project Labor Agreement/Construction Careers Policy is not applicable to this Contract. Project Labor Agreement/Construction Careers Policy is applicable only to construction contracts that have a construction contract value in excess of \$2.5 million.